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AROUND THE WORLD

Europe's July car sales slip 2.7%

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — European new-car sales took another dip in July, but are still running ahead of 1987's record pace.

The Fiat Group has strengthened its hold on first place ahead of the Volkswagen Group, the sales leader for the past three years.

For the second time since January 1987, sales in Europe declined in July. The previous lapse was in April of this year.

Sales of 1,010,000 for July were down 2.7 percent, according to 17-nation industry estimates compiled by Automotive News. But year-to-date sales of 7,853,400 were 4.3 percent ahead of 1987 despite predictions of a downturn early in the year.

The outlook for the rest of the year remains relatively bullish. The British statistical group Automotive Industry Data predicted recently that 1988 sales will reach 12.4 million in 17 European markets where a record 12.26 million cars sold last year.

The group anticipates a second-half slowdown but said that "no sharp dip is expected that could totally wipe out the strong advance of the first half."

Fiat Group clings to the No. 1 position on the strength of the still buoyant Italian market, where its share is 60 percent. Fiat and Alfa-Lancia sales totaled 1,236,700, a 15.7 share of the overall Western European market in the first seven months.

The Italian group was up 7.7 percent for the year and up 3.7 percent in July. Among Europe's Big 6 automakers, only Fiat and Peugeot S.A. showed gains for the month.

Second-place Volkswagen lost ground to Fiat during July. Combined seven-month sales for the Volkswagen, Audi and Seat brands were 1,156,200, good for 14.7 percent of the total market and 1.3 percent ahead of last year's pace.

But the VW Group dropped 8.7 percent in July alone largely because of an even bigger overall decline in the West German domestic market.

Peugeot S.A., Europe's fastest-growing full-line maker, has gained more than one percentage point in market share in the past 12 months and now holds 12.7 percent on sales of 1,000,400 through July. Combined Peugeot and Citroen sales were up 14.2 percent for the year and improved 3.8 percent in July, the biggest gain among Europe's volume manufacturers.

Ford followed in fourth place with sales of 875,300 through July, an 11.1 percent market share. General Motors was fifth with 10.6 percent on sales of 831,700. Renault was next with a 10.3 percent share and unit volume of 806,800.

With its new 5 and 7 series, BMW has shown the biggest advance among European specialty manufacturers this year. Sales for the West German maker rose 14.9 percent through July, and market share increased to 2.7 percent. In July, BMW passed Toyota to move into Europe's top 10 in year-to-date sales.

The Japanese market share in Europe has held steady at 10.9 percent in 1988 as combined volume has increased 3.3 percent. Nissan remained number one among Japanese makes with sales of 216,900 through seven months, a 2.8 percent share and a sales increase of 5.4 percent. Toyota, Mazda and Mitsubishi have all suffered declines in Europe during 1988.

Only West Germany was down among the major national markets. Germany was off 13.8 percent in July.

In line with forecasts, seven-month sales in West Germany, Europe's largest market, were down 3.2 percent to 1,711,500 units, while sales increased 8.3 percent in Italy, 6 percent in France, 10.1 percent in the United Kingdom and 14.1 percent in Spain.

There are signs that Spain's phenomenal two-year growth binge is slowing. July sales were flat when compared with the same month in 1987. However, analysts still expect Spanish sales, which totaled 649,400 through July, to soar well over one million units for the first time this year.

EUROPEAN SALES

Manufacturer	7 months 1988	1988 share*	7 months 1987	Change 88 vs 87
Fiat Group**	1,236,700	15.7	1,148,800	+ 7.7
VW-Audi-Seat	1,156,200	14.7	1,141,000	+ 1.3
PSA***	1,000,400	12.7	876,100	+14.2
Ford	875,300	11.1	872,300	+ 0.3
General Motors****	831,700	10.6	819,600	+ 1.5
Renault	806,800	10.3	793,200	+ 1.7
Mercedes-Benz	272,300	3.5	204,000	+ 2.9
Austin Rover	250,100	3.2	236,100	+ 5.9
Nissan	216,900	2.8	205,700	+ 5.4
BMW	210,300	2.7	183,000	+14.9
Toyota	205,600	2.6	206,900	0.6
Volvo	152,100	3.0	161,000	1.8
Mazda	151,000	1.9	141,900	+ 6.4
Mitsubishi	91,200	1.2	94,700	– 3.7
Honda	85,700	1.1	70,000	+ 8.4
Others	305,100	3.9	306,400	– 4.2
Total	7,853,400	100.0	7,530,000	+ 4.3

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	Jan.-July, 1988	Change on 1987
West Germany	1,711,500	– 3.2
Italy	1,436,900	+ 8.3
France	1,282,700	+ 6.0
United Kingdom	1,158,300	+10.1
Spain	649,400	+14.1
Netherlands	346,400	–13.3
Belgium-Luxembourg	312,800	+ 7.2
Switzerland	207,900	+ 6.8
Sweden	200,600	+ 8.4
Austria	161,400	+ 4.6
Portugal	115,700	+52.0
Finland	109,000	+13.5
Denmark	60,000	–25.1
Norway	44,100	–39.8
Ireland	43,900	+ 9.4
Greece	32,800	+ 4.8
Total	7,853,400	+ 4.3

Volvo profits rise 9% for quarter

GOTHENBURG, Sweden — Volvo Group said its operating income in the second quarter of 1988 rose 9 percent to a record 2.18 billion kroner ($335.72 million).

Improved second-quarter results partially offset first-quarter setbacks that were caused by production losses resulting from a three-week strike by white-collar workers in January and February.

Operating income for the first six months of 1988 declined 11 percent to 3.267 billion kroner ($503.12 million). Sales for the first half rose 3.17 percent to 45.759 billion kroner ($7.05 billion).

The company estimated that the strike cut first-half earnings by 1.1 billion kroner ($170 million).

Volvo said first-half net income was 23.90 kroner ($3.68) per share, compared with 26.90 kroner ($4.14) per share in the first half of 1987.

The company said its truck business remains strong. It blamed a decline in car group results on decreased penetration in the U.S. market caused by exchange rate fluctuations.

Here are 2,000 reasons to attend FISITA '88

More than 2,000 automotive engineering leaders from around the world will gather at FISITA '88. Scheduled for Sept. 25 - 29 in Dearborn and Sept. 30 in Washington, D.C., this is the first time this prestigious event has been held in North America. FISITA '88, hosted by SAE, will offer nearly 200 technical presentations selected by an international jury, a 90-company exhibit, and an exciting array of social events.

A brief listing of the extensive activities planned includes opening addresses by Roger Smith and Raymond Levy, Chairmen and CEO's of GM and Renault respectively, and Tadashi Kume, President and CEO of Honda; a gala banquet at the Detroit Institute of Arts featuring jazz great Dizzy Gillespie; and a special reception at one of the nation's most exciting landmarks, the Air & Space Museum.

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For additional details please contact Raymond Champagne at SAE World Headquarters, 412/776-4841.

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AUCTION DATES

Chrysler Motors

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Sept. 14 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 15 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Salt Lake Auto Auction, Salt Lake City; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 16 — Manheim Auto Auction, Manheim, Pa.

Sept. 20 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Southern Auto Auction, Warehouse Point, Conn.

Sept. 21 — A.D.E. of Birmingham, Birmingham, Ala., and Columbus Fair Auto Auction, Obetz, Ohio

Sept. 22 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 23 — St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 28 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 29 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Salt Lake Auto Auction, Salt Lake City

Ford Motor Co.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Sept. 15 — Baltimore-Washington Auto Exchange, Baltimore; Texas Hobby Auto Auction, Houston; and Southwest Auto Auction, Chandler, Ariz.

Sept. 20 — South Seattle Auto Auction, Kent, Wash.

Sept. 21 — Wednesday Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Sept. 22 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Bay Cities Auto Auction Inc., Hayward, Calif.

Sept. 28 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Salt Lake Auto Auction, Salt Lake City

Sept. 29 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville, Tenn.

Used Car Sales
Auction Averages

August 88	$6,019
Month ago	$5,994
Year ago	$6,054

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$12,473	$11,408	$112,545
1987	$7,919	$8,407	$8,668
1986	$6,891	$6,830	$7,327
1985	$5,819	$5,881	$5,801
1984	$4,308	$4,378	$4,534
1983	$3,583	$3,718	$3,721
1982	$2,479	$2,464	$2,529
1981	$1,887	$1,952	$1,932
Overall Average	$6,019	$5,855	$5,800

General Motors

Sept. 13 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Sept. 14 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 15 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 20 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Sept. 21 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

Sept. 22 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Colorado Auto Auction, Commerce City, Colo.

Sept. 27 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Sept. 28 — Puget Sound Auto Auction, Auburn, Wash.; Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 29 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Oct. 4 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; and A.D.E. of Birmingham, Moody, Ala.

Oct. 5 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Indianapolis Auto Auction, Indianapolis

Oct. 6 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Mid Ark Auto Auction, North Little Rock, Ark.; and Colorado Auto Auction, Commerce City, Colo.

Oct. 11 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Oct. 12 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Riverside Auto Auction, Riverside, Calif.

NADA unveils guidelines for ads

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Admitting that dealer advertising at times offends people, Jimmy Payton, president of the National Automobile Dealers Association, asked the group's 20,000-plus members to adhere to a set of association-developed ad guidelines.

Payton said the guidelines are needed because "some of our advertising offends people. Our research shows that consumers do find our advertising confusing, sometimes misleading, sometimes deceptive. The impression we give customers of our industry comes in part through our advertising."

In announcing the guidelines last week at NADA's Washington Conference, Payton said the move addresses concerns about the poor reputation car dealers have, even though most dealers as individuals are well-known and respected members of their communities.

The NADA recommendations cover availability of vehicles, what should be included in advertised prices, how advertised trade-in allowances should be presented, and how conditional offers should be made. The guidelines also discuss the use of retail terms, such as APR (annual percentage rate), invoice and rebate.

Payton said the advertising guidelines are based on work already done by various city and state dealer associations.

"We would suggest that if your state or local association does not have any guidelines for your members to follow — and you would like to set up a program to monitor dealer advertising — these guidelines can be of help to you," he said.

Payton cited several instances of dealers being fined for false advertising by state consumer protection agencies. "If we don't do a better job of regulating ourselves we are going to find there are folks who are going to do it for us."

Payton also unveiled a series of association advertisements that will run in USA Today, heralding the civic accomplishments of dealership employees across America.

He said the advertising campaign will expand if dealers contribute financially to the effort. NADA is asking its members to contribute $100 each. Vehicle manufacturers are also being asked to contribute, he said.

In commenting on Washington issues, Payton said the trade bill passed this year "doesn't do everything that we would have liked for it to have done," but added, "we have no main objection to the trade bill as every punitive clause is now hedged by a discretionary escape clause which makes the bill more palatable to us."

"On tax issues we have been successful in keeping the gas-guzzler tax out of the technical amendments bill, so we feel reasonably safe that the gas-guzzler tax is behind us for this year," Payton said. "It could have been devastating to parts of our business. There are many moderately priced vehicles including four-door sedans, station wagons and light-duty pickups, which may have been eliminated from the market place if the gas-guzzler tax had been put in place. NADA lobbied that issue very hard and has beaten it back for this year, but make no mistake — it will be back again," he said.

Payton said there are a host of mandated employee benefit issues looming on the horizon, including increased minimum wage, parental leave and mandatory health care. He said NADA would fight these.

"Again automobile dealers are not against health benefits, most of us already have health-benefit packages for our employees. We try to furnish them the very best packages that we can afford."

But, he said there is no need for government control over these benefits. "These measures are an example of unwarranted, unwanted and unneeded government intrusion into the relationship between you and your employees," Payton said.

"Hazardous waste is another matter that we have been concerned with this year. No matter who becomes president, environmental issues are a priority with the American people. We are going to have to do our part to help.

"That means that in the next Congress we are going to be hearing things about the disposal of waste oil, body shop chemicals and other materials, cleaning materials that we use in washing our cars; anything that affects the ground water and our environment. Our job is to step up to the responsibility to clean up our environment, but to oppose unrealistic or punitive regulations that could put us out of business and create joblessness in our communities," Payton said.

The association's chief counsel, William Newman, told the dealers that NADA has petitioned NHTSA for a second look at the agency's anti-tampering regulations for odometers. Newman said NADA wants NHTSA to allow dealers to exercise power of attorney for a vehicle seller, when the seller cannot be present to sign an odometer disclosure. Although NHTSA earlier rejected dealer arguments on this matter, NADA is preparing a cost/benefit analysis to show the financial harm the new regulations could cause dealers.

FORD-NISSAN

FROM PAGE 1

for Nissan Research & Development in Ann Arbor, Mich. Nissan Design International, located near San Diego, Calif., is said to have designed the vehicle.

Nissan, in addition to doing the design and engineering work, will also provide the tooling. But the assembly will be handled by Ford with no permanent Nissan staff on site.

No money will change hands, a union source said. Ford will "repay" Nissan for the design and tooling by giving it half the production.

With Ford producing a Japanese-developed vehicle in the United States, the project will apparently provide a new twist to the growing interdependence between U.S. and Asian automakers.

The Ford Probe, which is based on a Mazda platform, is built by Mazda along with the Mazda MX-6 in Flat Rock, Mich. Other U.S. assembly plants are owned jointly by domestic and Japanese companies — Toyota and General Motors in Fremont, Calif., and Chrysler Motors and Mitsubishi in Normal, Ill.

Ohio Truck currently employs about 1,370 workers. Ford has guaranteed at least 1,300 more new jobs by Job One, a union source said. The plant has no workers on layoff now and is hiring new help off the street.

Ford is said to be pushing for the team labor concept, where workers share tasks and job classifications are reduced. The local has agreed to discuss alternative production methods but has made no changes in its current contract, which expires in 1990.

Ford has also agreed to give the union a voice in the design of the new complex, particularly in such areas as cafeterias and locker rooms. Ford has also said it will build a technical training center on the site for skilled and semi-skilled tradesmen.

The company has also agreed to look into the possibility of providing health and welfare services, which may include day-care services and gymnasiums, union sources said.

In April 1987, the two companies said they would explore the potential for producing a vehicle together. The study moved to a second stage in February of this year. At the time Nissan said it had ruled out the possibility of building the van at its plant in Smyrna, Tenn.

A final decision had been expected this spring. But Ford recently said that questions about sourcing, profitability and other issues had postponed the conclusion.

In July, Ford exercised an option to to buy 108 acres adjacent to the Avon Lake plant.

The state of Ohio has offered a $22 million package for roads, sewers and other infrastructure improvements.

Neither company currently has a product in the fwd minivan segment. For Lincoln-Mercury, the project will also mean the entry of a truck-like vehicle to its lineup — products that have been the domain of Ford Division.

Both Ford and Nissan currently sell rear-drive compact vans — the Ford Aerostar and Nissan Van. With front-drive entries, they will enter an increasingly popular segment that has been dominated by Chrysler Motors' Dodge Caravan and Plymouth Voyager.

Sources have said that the vehicle will be powered by a 3-liter V-6 engine.

The announcement also marks another tie between Ford and Nissan, who have begun cooperating on a number of projects around the globe.

This year, Ford began selling a Ford-badged version of the Nissan Patrol, a light truck, in Australia. And Nissan dealers there recently started selling a version of Ford's Falcon pickup truck.

The companies have also talked about joining forces on a future car program in Australia, where a government restructuring plan has limited the number of models that can be sold.

In Europe, Ford and Nissan are looking into the possibility of jointly producing a utility vehicle. A decision is expected early next year.

For Ford, the Avon Lake plant will promise additional truck capacity at a time when the company has been straining to meet demand. Ford Division announced last week that it again expects to sell every truck it can build in the coming model year.

Ford has expanded truck-building capacity by more than 100,000 units since last year.

Automotive News Staff Reporter Louise Kertesz contributed to this story.

DOMESTIC DAYS' SUPPLIES

	Sept. 1, 1988	Aug. 1, 1988	Sept. 1, 1987
Alliance	143	161	115
Eagle	—	—	157
Premier	128	116	—
Total Eagle	129	118	119
Horizon	38	73	28
Sundance	58	53	47
Turismo	—	—	59
Reliant	54	79	128
Caravelle	91	131	86
Gran Fury	41	23	51
Total Plymouth	50	65	74
LeBaron K	52	78	64
LeBaron J	46	50	87
LeBaron GTS	73	105	128
Fifth Avenue	118	95	67
New Yorker C	84	79	—
New Yorker E	176	136	130
Total Chrysler	68	70	89
Omni	45	75	32
Shadow	62	56	50
Charger	—	—	61
Daytona	46	47	86
Aries	53	78	114
Lancer	106	133	122
Diplomat	68	68	53
Dynasty	72	46	—
Dodge 600	102	133	76
Total Dodge	57	64	78
CHRYSLER MTRS.	61	68	83
Escort	63	59	52
Mustang	54	52	45
Tempo	52	53	46
Taurus	47	43	54
Thunderbird	80	97	51
Probe	46	31	—
Crown Victoria	58	47	48
Total Ford Div.	57	54	51
Lynx/Tracer	131	106	55
Topaz	53	49	62
Sable	44	49	71
Cougar	51	71	44
Grand Marquis	37	31	32
Total Mercury	57	57	52
Continental	38	26	45
Lincoln	66	65	48
Mark VII	91	72	48
Total Lincoln	62	60	48
Total L-M Division	58	57	51
FORD MOTOR CO.	57	55	51
Skyhawk	75	98	78
Somerset/Skylark	50	53	74
Century	53	68	80
Regal	90	115	66
LeSabre	73	72	52
Reatta	186	160	—
Electra	60	85	69
Riviera	59	51	60
Total Buick	68	81	57
Cimarron	76	81	54
Allante	85	66	199
Seville	79	66	71
DeVille	47	56	39
Brougham	56	74	56
Eldorado	72	80	49
Total Cadillac	56	70	47
Chevette	—	252	69
Nova	106	116	52
Cavalier	54	46	59
Camaro	74	81	66
Celebrity	77	67	70
Corsica/Beretta	59	33	57
Monte Carlo	70	73	116
Caprice	90	64	47
Corvette	80	70	110
Total Chevrolet	70	54	62
Firenza	101	120	106
Calais	57	60	43
Cutlass Ciera	46	64	47
Cutlass Supreme	111	126	88
Olds 88	88	69	40
Olds 98	53	56	48
Toronado	62	71	64
Total Oldsmobile	66	73	50
Fiero	86	96	71
Pontiac 1000	—	—	84
Sunbird	52	49	51
Firebird	62	70	52
Grand Am	51	45	45
Pontiac 6000	65	61	90
Grand Prix	74	62	109
Bonneville H	93	70	—
Paris./Safari	86	99	83
Total Pontiac	65	58	64
GENERAL MTRS.	67	64	59
HONDA	14	11	8
MAZDA	37	34	—
NISSAN*	50	46	38
TOYOTA	28	17	66
VOLKSWAGEN	—	—	80
DOM. TOTAL	59	58	57
Subcompact	44	45	—
Compact	47	47	—
Intermediate	64	63	—
Standard	67	63	—
Speciality	92	87	—

*Automotive News estimate.

Inventory lowest in 23 months

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The Sept. 1 stockpile of U.S.-built cars was the lowest in 23 months, despite August new-car sales that trailed year-ago totals by 8.25 percent.

Still, the industry's inventory of 1,315,919 unsold cars equaled a 59-day supply at the beginning of the month, very near the idealized target of a 60-day supply.

One month earlier, on Aug. 1, there were 1,406,740 domestic units in stock, a 58-day supply.

One year earlier, on Sept. 1, 1987, there were 1,436,835 units in stock, equal to a 57-day supply.

At the beginning of this month, Chrysler Motors, with a 61-day supply, accounted for 14.05 percent of the industry total, compared with 16.31 percent one month earlier.

Ford Motor Co., with a 57-day supply, accounted for 28.63 percent of the Sept. 1 total vs. 28.42 percent of the Aug. 1 total. General Motors, with a 67-day supply, accounted for 53.35 percent of the industry total on Sept. 1, compared with 52.39 percent on Aug. 1.

U.S.-built Honda models accounted for 1.29 percent of the stockpile on Sept. 1, vs. 0.95 percent one month earlier; Nissan had 1.94 percent vs. 1.33 percent; Toyota, 0.40 percent vs. 0.31 percent; and Mazda, 0.34 percent vs. 0.29 percent.

There were wide variances by market class on Sept. 1.

The largest days' supply of unsold automobiles was again the specialty class dominated by GM. The class, made up of Buick Reatta, Pontiac Fiero, Cadillac Allante and Chevrolet Corvette, stood at a 92-day supply on Sept. 1, up from an 87-day supply on Aug. 1.

The days' supply increased because of reduced daily selling rates in August as the number of units in stock for that class remained virtually unchanged from the month-earlier total.

Among the standard-sized models, there was a 67-day supply on Sept. 1 compared with a 63-day supply one month earlier. The unit total declined to 243,793 from 249,872 on Aug. 1.

However, the stock of unsold standard models accounted for 18.53 percent of total inventory on Sept. 1, compared with 17.76 percent one month earlier.

Tightest inventories at the beginning of the month were in the subcompact and compact classes.

Unsold subcompact cars remained in the shortest supply with a 44-day supply on Sept. 1 compared with a 45-day supply one month earlier. The industry total was 210,438 units, equal to 15.99 percent of all unsold cars, up slightly from 208,573 units which equaled 14.83 percent of all unsold domestic-made cars on Aug. 1.

The total number of unsold compact cars declined to 284,448 units on Sept. 1 from 312,600 on Aug. 1, equaling 21.62 percent of the inventory, and a 47-day supply.

Unsold intermediates equaled a 64-day supply on Sept. 1, virtually unchanged from the 63-day supply on August 1, although the unit total dropped to 562,209, or 42.72 percent of the industry total.

PRODUCTION

Truck output sets record for August

U.S. truck production for August totaled 334,266, the highest ever for that month. The total surpassed the previous August record of 299,363, set in 1987.

Last month's truck output was 39.36 percent more than July's 239,863.

Truckmakers scheduled production of 71,735 units last week, 9.82 percent below the previous week's 79,546 but 17.45 percent more than the year-ago week's 61,076.

Year-to-date, 2,838,281 trucks have been assembled, 8.39 percent more than the 2,618,603 completed last year at this point.

August car production of 498,043 was the highest for that month since 1984 when 557,060 cars were built.

The August total was 35.55 percent more than July's 367,431 and 20.57 percent more than the year-ago month's 413,076.

Last week's production schedule called for 118,235 cars, 13.55 percent below the prior week's 136,771 but 9.23 percent more than the year-ago week's 108,245.

So far this year, 4,740,331 cars have been built, 3.90 percent below the 4,932,743 assembled last year at this time.

Companies split last week's scheduled production as follows: General Motors, 50.88 percent; Ford Motor Co., 22.34 percent; Chrysler Motors, 13.79 percent; Honda of America Manufacturing Inc., 4.93 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.92 percent; New United Motor Manufacturing Inc., 2.20 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.94 percent.

GM said it will close its Doraville, Ga., plant today for two weeks to change operating plans and job assignments. The plant assembles the Oldsmobile Cutlass Supreme, which had an 111-day inventory on Sept. 1.

Ford's Lorain, Ohio, plant is idle for model changeover until October. Ford slated overtime next Saturday at Wixom and Wayne, Mich.; and Kansas City, Mo.

Canada follows on record path

Canadian truckmakers set an August record with assembly of 72,029, surpassing the previous peak of 65,386 built in 1984.

August truck output was more than double July's 34,647, when several plants were idle for changeover, and was 34.84 percent more than the year-ago month's 53,417.

Last week's estimated truck production of 16,973 was 5.59 percent below the previous week's 17,978 but 23.48 percent more than the year-ago week's 13,745.

Car production for August of 64,996 was the highest for that month since the the 1985 total of 89,702.

Last month's car build was 80.93 percent more than July's 35,923 and more than double the year-ago month's 27,573 when several plants were closed for changeover.

Automakers scheduled production of 16,509 cars last week, 8.35 percent below the prior week's 18,013 but 34.99 percent more than the year-ago week's 12,230.

U.S. CAR	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,000	243	1,246	699	56,135	33,097
Sundance	1,500	1,312	1,665	5,585	70,374	64,902
Reliant	1,600	2,745	1,651	886	59,511	82,245
Caravelle	0	509	0	33	9,087	33,499
Gran Fury	100	188	249	800	16,024	4,279
Total Plymouth	4,200	4,997	4,811	8,003	211,131	218,022
LeBaron K	0	799	0	0	7,912	49,600
LeBaron J	1,600	1,890	1,896	4,145	52,227	79,794
LeBaron GTS	100	652	158	603	6,419	27,951
N. Yorker E-Class	0	1,016	0	0	0	56,522
N. Yorker C-Class	1,600	777	1,922	6,507	72,135	2,011
Fifth Avenue	700	1,913	994	3,294	20,178	38,054
Total Chrysler	4,000	7,047	4,970	14,549	158,871	253,932
Omni	1,000	251	1,234	719	54,836	28,463
Daytona	1,600	1,600	1,919	4,092	51,461	40,375
Shadow	1,600	1,510	1,886	5,685	69,695	66,933
Aries	1,600	2,225	1,895	1,084	58,065	76,225
Dodge 600	0	446	0	0	8,549	29,985
Dynasty	2,000	117	2,384	8,384	70,790	382
Lancer	100	398	154	410	6,170	17,484
Diplomat	200	345	303	1,024	13,723	7,923
Total Dodge	8,100	6,892	9,775	21,398	333,289	267,770
CHRYSLER MOTORS	16,300	18,936	19,556	43,950	703,291	755,718
Escort	6,425	7,242	8,506	38,630	269,328	262,553
Mustang	3,610	4,359	4,212	14,966	138,960	149,082
Tempo	3,134	151	3,187	13,065	127,993	100,546
Taurus	6,369	6,711	7,621	32,855	271,934	286,966
Thunderbird	0	2,215	0	0	90,246	109,140
Total Ford Div.	19,538	20,678	23,526	99,516	898,461	908,287
Lynx	0	0	0	0	0	21,352
Topaz	1,266	49	1,187	5,204	48,372	33,084
Cougar	0	2,240	0	0	69,686	97,328
Sable	2,021	1,384	2,319	10,685	92,436	91,080
Total Mercury	3,287	3,673	3,506	15,889	210,494	242,844
Continental	1,194	0	1,458	5,780	32,484	9,610
Mark VII	600	557	724	2,876	17,362	19,379
Lincoln	1,795	2,803	2,186	8,667	88,740	97,485
Total Lincoln	3,589	3,360	4,368	17,323	138,586	126,474
Total L-M Division	6,876	7,033	7,874	33,212	349,080	369,318
FORD MOTOR CO.	26,414	27,711	31,400	132,728	1,247,541	1,277,605
Skyhawk	462	849	483	1,364	11,900	20,931
Skylark/Somerset	940	1,137	1,410	3,420	33,215	43,025
Century	3,756	2,414	4,292	10,384	80,167	118,693
Regal (rwd)	0	450	0	0	0	31,521
Riviera	333	176	287	228	4,342	8,971
Electra	979	1,634	1,217	5,153	57,910	62,968
LeSabre (fwd)	184	3,554	216	12,120	85,864	99,385
LeSabre (rwd)	2,860	106	2,925	571	12,352	6,379
Reatta	181	0	239	910	6,439	0
Total Buick	9,695	10,322	11,069	34,150	292,189	391,873
Cimmaron	0	144	0	0	3,693	8,064
Eldorado	348	263	321	652	24,544	13,372
Seville	262	297	232	452	15,299	11,321
Brougham (rwd)	732	1,008	798	2,836	22,152	48,099
Deville (fwd)	1,808	2,380	1,392	1,110	100,781	97,521
Allante	32	116	12	0	1,179	3,629
Total Cadillac	3,182	4,208	2,755	5,050	167,648	182,006
Cavalier	6,274	3,620	6,645	28,629	248,536	216,695
Camaro	1,972	1,694	2,055	3,661	60,763	85,696
Celebrity	2,520	3,400	3,514	14,627	125,024	208,192
Corsica/Beretta	7,488	5,780	9,196	43,319	286,348	222,923
Monte Carlo	0	1,435	0	0	0	48,394
Caprice	3,296	2,422	3,713	18,370	144,107	129,299
Corvette	360	512	451	2,075	15,361	18,960
Total Chevrolet	21,910	18,863	25,574	110,681	880,139	930,159
Calais	2,900	1,968	2,367	5,783	75,103	78,115
Firenza	0	396	0	0	5,230	3,735
Cutlass Ciera	740	0	794	1,109	15,754	99,968
Cutlass Supreme	3,200	1,335	3,432	6,130	101,218	53,209
Toronado	110	203	130	401	10,769	10,676
88 (fwd)	2,300	3,270	2,754	12,852	106,277	118,328
88 (rwd)	120	0	200	1,013	8,383	10,656
Olds 98	866	1,467	1,099	4,598	51,013	47,684
Total Oldsmobile	10,236	8,639	10,776	31,886	373,747	430,965
Sunbird	2,129	892	2,508	7,607	73,345	63,017
Grand Am	4,200	3,612	4,827	14,595	159,055	166,559
Firebird	1,324	1,077	1,349	2,507	42,024	56,822
Grand Prix	3,348	0	4,052	12,171	89,110	0
Pontiac 6000	2,072	1,814	2,305	8,840	54,790	56,521
Bonneville	1,940	2,175	2,546	10,251	77,213	89,478
Safari/Parisienne	124	138	147	601	5,563	6,853
Fiero	0	85	0	1,159	13,260	20,774
Total Pontiac	15,137	9,793	17,734	57,731	514,380	460,024
GENERAL MOTORS	60,160	51,825	67,908	239,498	2,228,103	2,395,027
HONDA	5,830	5,184	7,318	33,814	253,730	230,736
Civic	1,979	37	2,821	11,551	73,536	71,505
Accord	3,851	5,147	4,697	22,263	180,194	159,231
MAZDA†	4,635	0	4,404	20,121	86,093	0
NISSAN	2,296	1,975	2,898	12,987	75,428	92,487
NUMMI	2,600	2,614	3,287	14,945	110,550	138,041
Corolla	960	698	1,173	5,352	40,361	29,344
Nova	1,640	1,916	2,114	9,593	70,189	108,697
VOLKSWAGEN	0	0	0	0	35,595	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	118,235	108,245	136,771	498,043	4,740,331	4,932,743
Total Cars, Canada	16,509	12,230	18,013	64,996	740,745	522,066
U.S., Canada Cars	134,744	120,475	154,784	563,039	5,481,076	5,454,809
U.S., Canada Cars and Trucks	223,452	195,296	252,308	969,334	8,944,807	8,638,898

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Eagle	0	—	0	0	0	—
Premier	1,020	—	966	1,674	42,064	—
CHRYSLER MOTORS	1,020	95	966	1,674	42,064	3,806
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,218	—	2,360	13,469	122,432	—
Topaz	1,100	—	1,053	6,382	45,728	—
Crown Victoria	2,227	—	2,484	9,279	88,053	—
Grand Marquis	2,333	—	2,632	9,616	88,695	—
FORD MOTOR CO.	7,878	4,131	8,529	38,746	344,908	308,847
Celebrity	152	—	161	1,651	14,840	—
Cutlass Ciera	2,664	—	3,362	8,658	167,567	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	3,600	—	3,793	8,387	108,144	—
GENERAL MOTORS	6,416	7,542	7,316	18,696	320,226	192,547
Civic	1,195	—	1,202	5,880	27,206	—
Accord	0	—	0	0	1,828	—
HONDA	1,195	282	1,202	5,880	29,034	9,819
VOLVO	0	180	0	0	4,513	7,047
Total Cars, Canada	16,509	12,230	18,013	64,996	740,745	522,066

U.S. TRUCK☆	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Caravan	1,800	—	1,961	8,247	64,949	—
Dakota	1,600	—	2,106	8,023	72,243	—
Mini-Ram Van	200	—	111	351	9,276	—
Pickups	1,600	—	2,108	8,017	50,729	—
Total Dodge	5,200	7,172	6,286	24,638	197,197	188,348
Cherokee	3,700	—	3,582	13,536	124,277	—
Commanche	800	—	780	3,125	31,219	—
Grand Wagoneer	200	—	0	983	9,391	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	200	784	7,190	—
Total Jeep	4,800	3,712	4,562	18,428	172,077	154,478
Voyager	1,700	—	1,888	7,953	61,268	—
Total Plymouth	1,700	—	1,888	7,953	61,268	—
CHRYSLER MOTORS	11,700	10,884	12,736	51,019	430,542	342,826
Aerostar	4,000	—	4,686	19,777	139,663	—
Bronco	731	—	878	2,451	38,194	—
Bronco II	1,861	—	2,916	13,034	89,642	—
Econoline	4,501	—	4,732	19,857	162,930	—
Heavy trucks	1,045	—	1,323	6,067	45,903	—
Light trucks	8,198	—	9,779	37,467	337,041	—
Ranger	4,947	—	6,766	30,975	243,011	—
Total Ford Div.	25,283	26,562	31,082	129,628	1,056,384	1,021,805
FORD MOTOR CO.	25,283	26,562	31,082	129,628	1,056,384	1,021,805
Astro	2,741	—	3,111	13,898	121,522	—
Blazer	424	—	469	813	18,016	—
Mediums/Heavies	420	—	613	2,064	14,264	—
P-Model	718	—	866	3,044	28,400	—
Pickups	6,605	—	6,447	30,706	240,752	—
S-10	5,462	—	5,255	24,936	209,865	—
S-10 Blazer	3,192	—	3,362	11,783	113,157	—
Sportsvan/Van	1,586	—	1,830	8,574	65,272	—
Suburban	1,384	—	1,235	2,232	48,663	—
Total Chevrolet	22,532	10,248	23,188	98,050	859,911	785,471
Jimmy	122	—	148	221	5,227	—
Mediums/Heavies	680	—	495	2,763	27,204	—
P-Model	98	—	102	364	3,806	—
Pickups	2,059	—	2,003	8,810	74,195	—
S-15	1,220	—	1,240	4,852	47,470	—
S-15 Jimmy	954	—	931	5,532	32,180	—
Safari	695	—	892	3,598	31,032	—
Suburban	536	—	628	883	21,377	—
Vandura/Rally Vans	498	—	564	2,434	24,274	—
Total GMC	6,862	7,600	7,003	29,457	266,765	264,363
GENERAL MOTORS	29,394	17,856	30,191	127,507	1,126,676	1,049,834
NAVISTAR	1,496	1,295	1,411	8,624	59,621	50,774
NISSAN	1,112	1,729	1,376	6,488	66,608	60,154
AM GENERAL*	450	450	450	1,800	16,110	10,710
MISCELLANEOUS*	2,300	2,300	2,300	9,200	82,340	82,500
Total Trucks, U.S.	71,735	61,076	79,546	334,266	2,838,281	2,618,603

CANADIAN TRUCK	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Caravan	2,420	—	2,717	12,973	97,316	—
Mini-Ram Van	170	—	138	786	8,948	—
Ram Wagon	496	—	552	2,393	17,006	—
Ram Van	1,384	—	1,736	6,904	45,564	—
Total Dodge	4,470	5,347	5,143	23,056	168,834	278,631
Voyager	2,530	—	2,171	9,763	86,592	—
Total Plymouth	2,530	—	2,171	9,763	86,592	—
Wrangler	988	—	1,072	5,126	34,064	—
Total Jeep	988	691	1,072	5,126	34,064	23,420
CHRYSLER MOTORS	7,988	6,038	8,386	37,945	289,490	302,051
FORD MTR. (lt. trks.)	2,699	2,762	2,867	12,142	110,905	102,194
Light trucks	3,032	—	3,083	11,473	104,526	—
Vans	1,260	—	1,341	2,766	39,699	—
Total Chevrolet	4,292	—	4,424	14,239	144,225	—
Light trucks	1,288	—	1,540	5,584	52,786	—
Vans	495	—	491	953	20,241	—
Total GMC	1,783	—	2,031	6,537	73,027	—
GENERAL MOTORS	6,075	4,765	6,455	20,776	217,252	154,659
NAVISTAR	211	180	270	1,166	7,803	6,582
Total Trks., Canada	16,973	13,745	17,978	72,029	625,450	565,486
U.S., Canada Trks.	88,708	74,821	97,524	406,295	3,463,731	3,184,089

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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New system flies again for Ford

T-bird/Cougar adopt Taurus plan

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — In a repeat of the process they first employed for Taurus and Sable, Ford engineers developing the 1989 Cougar and Thunderbird identified which competitors in the specialty class do the best job in 357 design elements that customers can see, touch or feel.

When Ford designed Taurus and Sable, it compared some 400 design elements, ranging from the size and heft of the ignition key to ride and handling. It set goals for those cars against other vehicles determined to be "best-in-class."

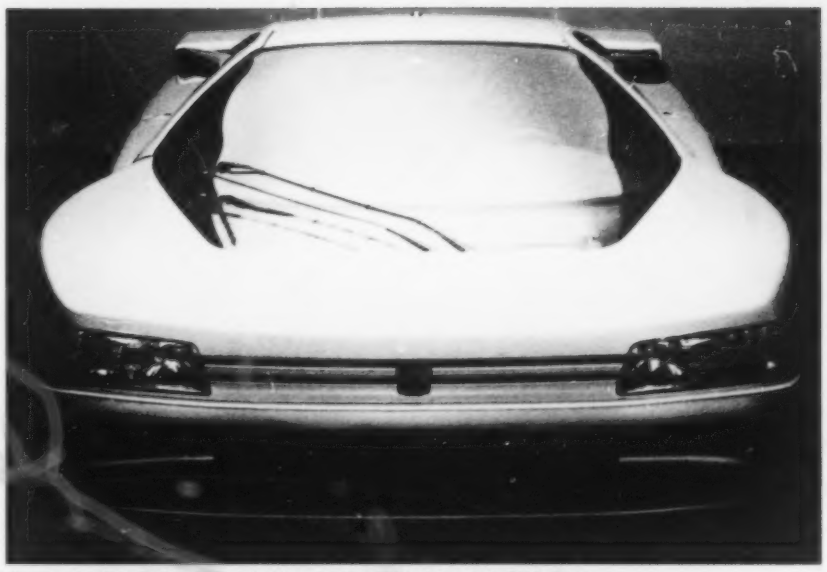
The runaway sales success of Taurus/Sable led Ford to continue this process of comparing and improving on the seemingly minor details that may make the difference between a good and great car.

Similar approaches have gained favor at General Motors, with its highly publicized Mona Lisa program, and at Chrysler Motors, which calls its process the "slickness" program.

Ford's documents show that early in the design phase of the 1989 Thunderbird/Cougar, Ford was judging the 357 design elements of competitive cars determined to be "best in class." Ford engineers believe the new Thunderbird/Cougar will be better than those top competitors in more than 75 percent of these design elements.

The report is broken down into sections describing the effort needed to operate virtually every control, lever or panel that might be touched by the customer. It also describes man-and-machine interaction noticable by customers, and vehicle dynamics including ride, steering, handling, powertrain smoothness and driveability.

see CLASS, page 57



Peugeot's sleek OXIA packs a 2.8-liter, 680-hp, 24-valve, twin-turbo V-6

PARIS: *Makers take wraps, gloves off for market-share fight in Europe*

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

PARIS — Two major car launches at the Paris Auto Show next week could mark the start of European sales rankings being turned upside down and could offer a glimpse of what is in store for the United States.

And, on a larger scale, Paris and Britain's Birmingham show two weeks later will begin to take the wraps off European automakers' strategies to deal with post-1992 unification of the Common Market. That move is expected to make those manufacturers much tougher global competitors.

While General Motors and Renault have dropped to fifth and sixth place, respectively, among Europe's Big Six volume makers, they are clearly out to boost market share with crucial products debuting at Paris — the Renault 19 in the Volkswagen Golf/Fiat Tipo class and the Opel Vectra/Vauxhall Cavalier in the Ford Sierra/VW Passat segment.

Neither R-19 nor Vectra is pegged for North America at the moment. But other cars debuting at Paris or at the Birmingham show in mid-October are aimed directly at the United States.

They include Volkswagen Corrado, Audi's new V-8 and coupe, a revised Mercedes-Benz 190, BMW Motorsport's M-5, the special edition Jaguar XJR-S coupe and the new Aston Martin V-8. Citroen, whose U.S. plans are still uncertain, will have a new four-wheel-drive BX compact hatchback on its Paris stand.

The show will also focus world attention on the French auto giants Renault and Peugeot and their chief executives.

Life has changed for the two French carmakers since the last Paris gathering two years ago. Renault is out of the red, and Peugeot has improved its profitability and is gaining market share faster than any other volume manufacturer in Europe.

But Peugeot S.A. President Jacques Calvet and Renault Chairman Raymond Levy, the two men in the spotlight next week, will be pressed about such matters as the future of Renault's privatization drive under France's new socialist government and Calvet's unabashed target of making Peugeot No. 1 in both European sales and profits by the early 1990s.

Aside from giving their top executives a forum, the Paris show will also provide Renault and Peugeot an opportunity to show off their concept of the future.

Renault should turn heads with its Megane prototype, a slippery three-box show car with an 0.21 drag rating and 3-liter V-6 engine.

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Chevy eases ad refunds to dealers

By Laura Clark and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

LAS VEGAS, Nev. — Chevrolet last week told its dealers that it will rescind a requirement that would have forced dealers to join advertising associations before qualifying for certain ad refunds.

The announcement came at the 1989 national dealer meeting, where Chevrolet also revealed that it will create a family of cars under the Lumina badge.

At the same time, Chevrolet General Manager Robert Burger said the division will be getting tough with dealers to improve their customer satisfaction index ratings and to boost market share in their individual areas. Burger said Chevrolet dealers have slid to fourth place among GM's five divisions for CSI. Burger blames dealers, in part, for the division's slip into second place, behind Ford Division in sales.

Chevrolet predicted it will sell 1.55 million cars in the 1989 model year compared with 1.32 million in 1988, plus 1.475 million 1989-model trucks compared with 1.513 million in the 1988 model year.

Chevrolet expects the Lumina family to be its highest-volume models in the 1990s. It will include sedan and coupe versions of the mid-sized GM10 as well as the plastic-bodied all-purpose van.

The vehicles are being branded together for cost-effectiveness of advertising and collectively should account for about 17 percent of all Chevrolet car sales, according to Michael Erdman, Chevrolet general marketing manager. However, they will not be sold under a separate franchise addendum, as is the new Chevy Geo line.

The Lumina sedan goes into production as a 1990 model very early in 1989, with a national introduction in May 1989. Chevrolet said it will build about 100,000 sedans by the following fall.

Early production models will go into daily rental fleets, a segment of the market that will be crucial to the success of the Lumina. The Lumina replaces Chevrolet's highest-volume fleet car, Celebrity.

The Lumina coupe and the Lumina van will be introduced nationally in the fall of 1989.

The division hopes that the Lumina models will attract buyers in the 30- to 47-year age range with annual household incomes of $43,000 and up. They will compete with the Ford Taurus.

Executives said that 80 percent, or about 4,000 of its 4,900 dealers, have signed up to sell its new Geo line of imports and cars built by the Toyota-General Motors joint venture.

see CHEVY, page 6

Chrysler takes on GM

Conquest success triggers ad stinger

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Claiming that a sizable percentage of Chrysler New Yorker sedan sales are General Motors conquests, Chrysler Motors will launch a direct-mail campaign to more than one million owners of GM luxury and intermediate-sized cars in the 1989 model year and will take on GM by name in television advertising.

Chrysler claims that 35 percent of New Yorker sales are made to persons who replace a GM car with a New Yorker.

That rate influenced the company to create a television ad that specifically mentions GM. Chrysler has rarely used such head-on advertising in recent years.

Chrysler declined to provide additional details on the direct-mail campaign except to say the mailing will be made in mid-autumn.

Ricardo Montalban, Chrysler's

see CHRYSLER, page 4

"I hear General Motors is not happy," smooth-talking Ricardo Montalban tells viewers in a new commerical.

Korean automakers take Olympic bows

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As the games of the XXIV Olympiad get under way this week, the government is counting on the event to highlight the country's drive to join the industrialized nations of the world.

South Korea's auto industry is expected to take a large part of the spotlight, but the makers themselves are divided on how best to capitalize on the exposure afforded by the Games.

Daewoo is looking to the arrival of Soviet and East Bloc athletes as a means of opening possible trade ties with communist countries, while Kia is taking a more traditional approach in courting the international media. Hyundai, on the other hand, is content

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